



**Entergy**

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T.R.A. DOCKET ROOM

December 4, 2003

Ms. Deborah Taylor Tate, Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

Re: Tennessee Regulatory Authority Docket No. 03-00622  
Entergy Arkansas, Inc. Annual Interest Rate Paid on all  
Utility Service Customer Deposits for 2004

Dear Chairman Tate:

Attached is a copy of the Arkansas Public Service Commission (APSC) Order No. 3 in Docket No. 03-168-U issued December 3, 2003, ordering all jurisdictional utilities subject to the APSC to pay simple interest at the rate of 1.4% per annum during 2004 on all utility service customer deposits. It is our intention to also pay this rate for the Tennessee customer deposits.

The purpose of this letter is to file this revision to the customer deposit interest rate with the Tennessee Regulatory Authority for its acknowledgement and approval to allow implementation on January 1, 2004. An original and 13 copies of this letter and attachments are included for your use. A check in the amount of \$25.00 for the TRA filing fee is enclosed.

If you have any questions or need additional information, please do not hesitate to call me at (501) 377-5489.

Sincerely,

Will Morgan, Manager  
Regulatory Affairs

WM/tj  
Attachments

Dec 3 9 17 AM '03

ARKANSAS PUBLIC SERVICE COMMISSION

FILED

IN THE MATTER OF THE ANNUAL )  
DETERMINATION OF THE INTEREST RATE )  
APPLICABLE TO UTILITY CUSTOMER DEPOSITS )

DOCKET NO. 03-168-U  
ORDER NO. 3

ORDER

Ark. Code Ann. §23-4-206 requires the Arkansas Public Service Commission (Commission) to determine, on an annual basis, and following notice and hearing, the interest rate to be paid by regulated public utilities on customer deposits for utility service, not to exceed ten percent (10%), and to issue an order no later than December 31st each year fixing such interest rate for the following year.

By Order No. 1 of this docket, issued October 7, 2003, this docket was established by the Commission for the purpose of considering and setting the year 2004 interest rate to be paid on customer deposits for utility service by all jurisdictional utility companies operating in Arkansas and subject to the Commission's regulatory authority.

On November 6, 2003, Johnny Brown, employed by the General Staff of the Arkansas Public Service Commission (Staff) as a Financial Analyst in the Financial Analysis Section, filed prepared testimony in this docket on behalf of the Staff, represented at the hearing by Staff Attorney, Connie Griffin. In his testimony Mr. Brown recommends that utilities pay simple interest on customer deposits for the year 2004 at the rate of 1.4%.

Although Order No. 1 invited all jurisdictional utilities to file rebuttal testimony in this docket in response to Staff's recommendation, no companies have elected to do so. Staff's recommendation of an interest rate for the year 2004 of 1.4% is therefore unopposed.

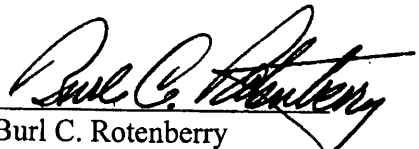
At the public hearing in this matter on December 2, 2003, no one appeared to object to Staff's proposed year 2004 interest rate of 1.4%.

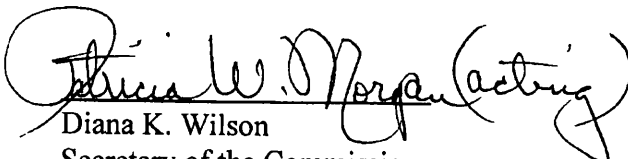
After considering all matters of record in this docket, I find that Staff's recommendation regarding the year 2004 interest rate to be paid on utility service customer deposits, as well as the methodology used to develop this recommendation, is reasonable and in the public interest. Accordingly, it is hereby ORDERED that all jurisdictional utilities subject to the regulatory authority of this Commission pay simple interest at the rate of 1.4% per annum during the year 2004 on all utility service customer deposits.

Following distribution of this order to all regulated utilities and other appropriate parties, the Secretary of the Commission is authorized and directed to close this docket.

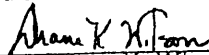
BY ORDER OF THE ADMINISTRATIVE LAW JUDGE PURSUANT TO DELEGATION.

This 3rd day of December, 2003.

  
Burl C. Rotenberry  
Administrative Law Judge

  
Diana K. Wilson  
Secretary of the Commission

I hereby certify that the following order issued by the Arkansas Public Service Commission has been served on all parties of record this date by the U. S. mail with postage prepaid, using the address of each party as indicated in the official docket file

  
Diana K. Wilson

Secretary of the Commission  
Date

12-03-2003